

Terms of Business current as at September 2026.

Introduction

These Terms of Business, together with our Engagement Letter, Privacy Policy and any appendix, schedule, proposal, responsibility checklist or other document expressly incorporated into the engagement, form the written agreement (the Contract) between Canterbury Accountants & Taxation Specialists Limited (Canterbury Accountants) and all engagement parties in the Engagement Letter.

1. Services

- 1.1 We will provide the services identified as Canterbury Accountants' responsibilities in the Engagement Letter and in any applicable appendices or schedules attached to, or expressly incorporated into, the engagement, together with any additional services expressly agreed in writing. Fees will be as set out in the applicable proposal or fee schedule, or as otherwise agreed in writing.
- 1.2 We may provide additional, varied or ongoing services that you request in writing from time to time and that we agree to provide in writing.
- 1.3 You are responsible for determining that the scope of the services is sufficient to meet your needs.
- 1.4 Unless specifically stated to the contrary in the engagement letter:
 - (i) we may allocate appropriate partners and staff to perform the services and may replace any staff named in the engagement letter with other staff of similar skill;
 - (ii) no audit or review will be performed and, accordingly, no assurance will be expressed. Unless otherwise agreed, our engagement cannot be relied upon to disclose irregularities including fraud, other illegal acts and errors that may occur;
 - (iii) unless verification is required by law, professional standards or the agreed scope of services, we may rely on the information that you provide without independently verifying it;

2. Your responsibilities

- 2.1 Where there is more than one of you, this clause applies to each of you separately and not collectively.
- 2.2 You must provide us with complete, accurate, meaningful and timely instructions, and all information and documents requested by us, or necessary for us to carry out the work you have engaged us to carry out.
- 2.3 You are required to arrange for reasonable access by us to relevant individuals and documents, and shall be responsible for both the completeness and accuracy of the information supplied to us.

3. Disclosure of our work

- 3.1 We disclaim any assumption of responsibility for any reliance on our professional services by any party other than those specified or agreed, and for any purpose other than that for which it was prepared.
- 3.2 You must not disclose any report or other information provided as part of the services to any other person without our prior written consent.

4. Fees and terms of payment

- 4.1 Unless otherwise agreed or required by law, our fees will be charged based on time spent by our staff and consultants working on the matter.
- 4.2 We review recurring service fees periodically, but fees do not necessarily change every year. Where the agreed scope and circumstances remain substantially unchanged, our usual practice is to aim to keep an agreed recurring service fee unchanged for approximately two years from the date it is agreed or last revised. This is a practice objective, not a guaranteed fixed-fee period unless expressly agreed in writing. When an increase is proposed, it is usually broadly in line with inflation and changes in the cost of providing professional services, but may differ if the scope or complexity of the work or other relevant circumstances change. Any revised fee or billing arrangement will be notified and actively agreed in writing before it applies, including through a revised proposal or fee schedule, annual authority, email or other suitable written confirmation.
 - (i) In addition to our fee, a charge of 3% of the fees will be added to cover disbursements.
 - (ii) GST will be added where applicable.
- 4.3 Our payment term is 14 days from the invoice date. If payment is overdue, we may suspend work after giving you notice. If payment remains unpaid 30 days after the invoice date, we may also charge interest on the outstanding balance at a rate of 2.5% above the current 90-day bank bill rate.
- 4.4 We may take reasonable steps to recover unpaid fees, disbursements or expenses. We may use your personal information only to the extent reasonably necessary for debt recovery and in accordance with the Privacy Act 2020. You will also be responsible for reasonable debt recovery and legal costs where recoverable by law.
- 4.5 Where there is more than one engagement party in the Engagement Letter, unless otherwise agreed, all of you will be liable to pay our fees in full separately and together as a group.

5. Client monies and tax refunds

- 5.1 Canterbury Accountants does not provide a client trust-account or client-monies service as part of this engagement. We will not receive Inland Revenue refunds or other client funds into a Canterbury Accountants account, make payments from client funds on your behalf, or deduct our professional fees from client refunds. You are responsible for providing and maintaining the correct bank account details for direct payment of refunds. This does not affect payments you make to Canterbury Accountants in settlement of Canterbury Accountants invoices or separately invoiced Xero subscription and Audit Shield participation charges. Any future request for Canterbury Accountants to handle client monies is outside the current engagement and may only be accepted under a separate written agreement after the required professional, AML/CFT and risk assessments have been completed.

6. Commissions and third-party benefits

- 6.1 We may receive commissions, margins, referral fees or other benefits from third parties in connection with products or services supplied or arranged for you. We

address the resulting potential self-interest threat through written disclosure and our conflict and quality management procedures. We do not accept commissions in connection with an assurance engagement.

6.2 Xero software: Canterbury Accountants is a Xero partner. For eligible core Xero subscription plans, Xero currently provides Canterbury Accountants with a partner discount of 25% from the applicable published public subscription price. For some add-ons or ancillary products, the supplier discount may differ. Where we arrange or administer a Xero subscription for you, we pass on part of the supplier discount to you and retain the balance as a reseller margin. The financial benefit accruing to Canterbury Accountants is calculated as the difference between the amount Canterbury Accountants pays Xero for your subscription and the amount Canterbury Accountants charges you. The other party to this arrangement is Xero (NZ) Limited and/or the relevant Xero group entity. You are not required to purchase Xero through Canterbury Accountants and may subscribe directly with Xero or use another suitable software product. We manage this financial interest under our conflicts and quality management procedures.

6.3 These charges are current as at September 2026 and may change if Xero changes its public pricing, supplier discount or product structure, or if Canterbury Accountants changes the portion of the supplier discount passed on to clients. We will notify you before a changed charge applies to your subscription.

6.4 Audit Shield insurance: Canterbury Accountants offers Audit Shield insurance to participating clients under an Audit Shield Master Policy administered by Accountancy Insurance New Zealand Limited Partnership. Under the current master policy, the insurer is Certain Underwriters at Lloyd's led by SCOR Managing Agency, Scor Syndicate 2015. Canterbury Accountants acts as agent for its participating clients. Where you elect to participate, Canterbury Accountants invoices an Audit Shield participation fee separately from any Inland Revenue refund. From the participation fees, the premium and administration amounts due under the master policy are paid, and Canterbury Accountants receives or retains the balance as a firm's recovery fee. This recovery fee is a commission or similar financial benefit to Canterbury Accountants and is calculated as the gross Audit Shield fee charged to the client less the amount payable to Accountancy Insurance/broker for that participation. The recovery fee may vary according to the applicable client category and the provider schedule.

6.5 By signing this engagement, you acknowledge these arrangements and consent to us receiving the disclosed benefits. You may ask us for further information about the amount applicable to your arrangement. Our professional obligations are not reduced by these arrangements.

7. Limitation of Liability

7.1 Our liability in connection with the services and engagement shall be limited in accordance with this clause.

7.2 Our liability for any losses or damages that you suffer directly caused by our breach of contract, negligence or wilful default shall be limited as follows:

- (i) we shall have no liability for any consequential or indirect damage and costs or loss of profit;
- (ii) we shall not be held responsible for any claims that might arise as a result of false, misleading or incomplete information, data or documentation furnished by other parties than Canterbury Accountants.

8. Confidentiality and Privacy

8.1 We will keep confidential information obtained through our professional relationship confidential and will use it only for providing our services, managing our practice and meeting our professional and legal obligations. We may disclose confidential information where you authorise us, where disclosure is necessary to perform the engagement or protect our legitimate interests, or where disclosure is required or permitted by law or professional obligations.

8.2 You agree that Canterbury Accountants may disclose confidential information:

- (i) to NZICA and CA ANZ for practice review, professional standards, investigation or disciplinary purposes, where required;
- (ii) where required or permitted by law or professional obligations, including tax administration, AML/CFT, court, law enforcement or regulatory requirements, and our obligations under section 360 of the NZICA Code of Ethics relating to non-compliance with laws and regulations;

8.3 We may also disclose confidential information to our insurers, legal advisers, debt recovery providers and other advisers where reasonably necessary to protect or enforce our interests, subject to appropriate confidentiality obligations.

8.4 You expressly authorise us to disclose confidential information to the third-party providers identified in our Privacy Policy, to the extent reasonably required to perform the engagement and operate our practice. The Privacy Policy identifies the material provider, service used, and storage or processing location where identifiable, or explains why a single location cannot be identified. If we introduce a new provider that will receive confidential information in connection with our professional services, we will notify you of the required details before disclosure where required.

9. Electronic Communication

9.1 We may communicate with you electronically, including by email and other agreed electronic messaging or document-sharing methods.

9.2 You accept that electronic communication is neither safe nor stable and that data may be destroyed or corrupted, may not be delivered immediately or be brought to the knowledge of third parties.

9.3 In accordance with the Unsolicited Electronic Messages Act 2007, you agree to receive emails, text or other electronic communications such as newsletters, notifications and reminders of tax payments or promotional material from us, unless you notify us to the contrary.

9.4 Electronic communications are prone to contamination by computer viruses. Each party should be responsible for

protecting their systems, and we will not be liable for any loss or damage arising from the use of the Internet, electronic data or other software and systems.

10. Ownership of documents

- 10.1 All original documents that we obtain from you arising from the engagement remain your property. However, you agree that we may make a reasonable number of copies of the original documents for our records and to provide the services to you.
- 10.2 The working papers that we produce in the course of performing the services are our property, and we have no obligation to disclose our working papers to you or any other person.
- 10.3 We retain all copyright in any document prepared by us during the course of carrying out the engagement for you, save for where the law specifically provides otherwise.
- 10.4 We may, after a period of time, destroy our working papers, reports and other records relating to the services, including any of your documents that have come into our possession, in accordance with our standard procedures relating to document retention.
- 10.5 Insofar as we are permitted to do so by law or professional guidelines, we reserve the right to exercise a lien over all funds, documents and records in our possession relating to all engagements for you until all outstanding fees and disbursements are paid to us in full.

11. Conflict of Interest

- 11.1 We will make reasonable efforts to identify conflicts of interest before accepting an engagement.
- 11.2 Should you be or become aware of possible conflicts of interest that may affect the engagement, we urge you to notify us thereof without undue delay.
- 11.3 If a potential or actual conflict of interest is identified, we will evaluate and manage the conflict using appropriate

safeguards. Where appropriate, we will discuss the proposed safeguards with you and obtain any consent required before continuing the engagement.

12. Termination of Contract

- 12.1 Both parties can terminate the service contract by giving 14 days written notice.
- 12.2 You will pay Canterbury Accountants for all services provided up to the date of termination.
- 12.3 If you default on your payment obligation under this contract, we shall be entitled to terminate the agreement without notice.

13. Complaints and Dispute Resolution

- 13.1 The contract is governed by New Zealand law.
- 13.2 If you are dissatisfied with our services, please raise the matter with the engagement partner or email admin@canterburyaccountants.co.nz. We will acknowledge a complaint promptly, investigate it objectively and seek to resolve it in good faith. We normally aim to acknowledge complaints within three working days and to provide a substantive response within five working days where practicable; if more time is required, we will keep you informed.
- 13.3 If a complaint or dispute cannot be resolved directly between us, either party may propose mediation by an agreed independent mediator before commencing court proceedings, unless urgent relief is required.
- 13.4 If the dispute is not resolved through negotiation or mediation, the New Zealand Courts will have exclusive jurisdiction over all claims that may arise out of or in connection with the Contract.
- 13.5 No claim or legal proceedings may be commenced later than two years after the date on which the party became aware of the facts giving rise to the claim.